

To: Pennala, Virginia (DEQ)[PENNALAV@michigan.gov]
Cc: Colleen Okeefe[OKEEFEC@michigan.gov]
From: Burdick, Melanie
Sent: Tue 6/14/2016 2:54:36 PM
Subject: RE: Auila permit application review for proposed Back 40 Mine

Thanks Ginny.

From my site visit notes:

- Wetland B-2 had stream characteristics, and Kristi asked to have the stream length measured and mitigation provided for stream impacts.
- WL 40/41 continues off-site onto the property to the north where the applicant does not have access and appears to connect to WL C1. The jurisdiction of WL 40/41 should be re-evaluated.
- WL C1 also continues off-site and may be impacted within that north property.
- WL A3 may not be isolated from WL A1, verify that there is no connection.
- They should also verify the drawdown impacts and impacts from changes in drainage area where they go off-site since they need to account for those impacts as well as those on-site.
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I think your requests cover all of these concerns and some that I missed, but I wanted to make sure that you have them.

Melanie Burdick

Watersheds and Wetlands
 U.S. EPA (ww-16j)
 77 W. Jackson Blvd
 Chicago, Illinois 60604

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From: Pennala, Virginia (DEQ) [mailto:PENNALAV@michigan.gov]
Sent: Tuesday, June 14, 2016 8:33 AM
To: Burdick, Melanie <Burdick.Melanie@epa.gov>
Subject: FW: Auila permit application review for proposed Back 40 Mine
Importance: High

Let me know if this helps. Thanks Melanie.

Ginny Pennala

DEQ, UP District Office

WRD

Water Resources Unit District Supervisor

1504 W. Washington St.

Marquette, MI 49855

Please note new phone number effective Oct. 19, 2015:

906-250-6176

From: Pennala, Virginia (DEQ)
Sent: Friday, June 10, 2016 12:16 PM
To: 'Melanie Haveman'; Okeefe, Colleen (DEQ)
Subject: Auila permit application review for proposed Back 40 Mine
Importance: High

Hi Colleen and Melanie, now that I know Kristi will be out for approximately the next month I

will fill on this file while she is out. I have returned a call to the consultant regarding the missing application information discussed at the May 18-19, 2016 site review. Apparently, the consultant is surprised that they need to revise the application so we can re-public notice. We are pretty far into the processing time frame, so they will need to withdraw the application or request an extension of up to 120 days. If they don't do either by July 9, we'll have to simply deny the application.

Following is a draft of a communication I plan to use as follow up to the phone call:

Steve, this is to follow up on our earlier telephone conversation regarding some issues brought to light in the May 18-19, 2016 site review of the proposed mine property. These issues unfortunately require additional information to be provided by you in the form of a revised permit application, due to the regulated resource impacts proposed that are not included in the original application we placed on public notice. This additional information is required for re-public noticing of the referenced application. These issues include:

- *There are wetlands as well as a stream which previously were not identified as regulated. The amount of stream impact needs to be determined by the applicant's consultant, and there will be approximately 1 acre of additional wetland impact, which will also need to be identified in a revised application. Stream mitigation will be required as well, meaning that a stream mitigation plan to replace the lost functions of the impacted stream must be included in the application package.*

- *The proposed preservation area for wetland mitigation is partially acceptable, but there are areas that are significantly disturbed, as well as impacted by invasive species. These areas will be acceptable as mitigation via wetland restoration at a 2:1 ratio. This means the mitigation plan will need to be revised both for wetland and stream impacts. Fortunately, there is also an opportunity for stream restoration in the proposed preservation area that could potentially be used as stream mitigation, which is referenced above.*

- *There are 2 adjacent properties along Aquila's north property line that contain a portion of the stream and wetland resources not identified in the application that are regulated and will be impacted by the proposed mine, as described above. Property owner authorization has not been obtained for these properties. These property owners will be included in the distribution of the revised public notice, and property owner authorization is necessary prior to any future permit issuance.*

Please submit the requested information as soon as possible, and also be advised that since we have already public noticed the application, the time clock is running on the application, due to statutory deadlines for application review. Our review time will expire on July 9, 2016 unless the applicant either withdraws the application or requests for the review period to be extended for up to 120 days, as allowed under statute.

Colleen and Melanie, please let me know if I have left out anything else I need to ask them for-thanks much!

Ginny Pennala

DEQ, UP District Office

WRD

Water Resources Unit District Supervisor

1504 W. Washington St.

Marquette, MI 49855

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